

REMARKS

Claims 1, 3 and 19-32 were pending and stand rejected. Claim 1 has been amended. No new matter has been added.

Claims 1, 3 and 19-32 are rejected under 35 USC § 101 as allegedly not falling within one of the statutory categories of invention. As amended, claim 1 recites a method, implemented by a computer having a processor, for securely encoding data into an encoded representation and securely exchanging the encoded data between two computer programs (Specification, paragraph [0038]).

Additionally, claim 1 relates to encoding data elements of an input data set through a statutory process that transforms an input signal to a different state or thing as a series of steps are performed. For example, given a selected dataset comprising a plurality of data elements to be encoded, the claimed invention constructs a template based on the selected dataset, and each data element in the selected dataset is represented by at least one element reference in the template. The claimed invention encodes each data element in the selected dataset according to its corresponding element reference in the template and generates an encoded data representation of the dataset in a textual and compact manner for secure transmission. Such a transformation clearly recites a statutory “process” under 35 USC 101, under *In re Bilski*, and according to the USPTO January Memorandum entitled “Guidance for Examining Process Claims in view of *In re Bilski*”, which clarifies that the *Bilski* test is a “**machine or transformation test**.” Support for the amendment can be found at Specification at paragraphs [0003], [0015]-[0017], [0030] and throughout the entire Specification.

Thus, claim 1 as amended is directed to statutory subject matter, and the rejection should be withdrawn. Dependent claims 3, 19-32 are also directed to statutory subject matter.

Applicant respectfully invites Examiner to contact Applicant's representative at the number provided below if Examiner believes it will help expedite furtherance of this application.

Respectfully Submitted,
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